

**FISCAL IMPACT OF REMOVING FOOD
(for off-premise consumption)
FROM THE SALES TAX BASE
FY 2004-05**

(In millions of dollars)	<i>Taxable Sales CY02 (\$Mill.)</i>	<i>Food share *</i>	<i>Food sales CY02</i>
Department stores	\$3,409.11	0.284	\$966.94
Variety stores	132.76	0.020	2.66
Misc. general merchandise	56.60	0.333	18.85
Grocery stores	2,546.11	0.675	1,717.45
Convenience stores	516.39	0.550	284.09
Other food stores	140.36	0.850	119.31
Gas service stations	162.53	0.133	21.68
Vending machines	30.62	0.900	27.56
Nursery and garden stores (1/2 market for seeds + fruit trees)	50.16	0.050	2.51
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	\$7,044.64		\$3,161.04
Factor for inflation & growth			
GLOBAL INSIGHT food inflation 2002 to FY 2005			1.045
Utah population growth 7/2002 to 7/2004			1.040
Less Vendor Discounts		0.99	<u>0.985</u>
State sales tax loss		4.734%	\$160.23
Local sales tax loss		1.000%	\$34.02
County Option, Zoo, Resort & Rural County Hospital loss		0.337%	\$11.48
Public transit & Highways sales tax loss		0.358%	\$12.18
Centennial Highway Fund tax loss		0.016%	\$0.53

Grand Total Direct Loss		6.45%	\$218.43
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# Source: see attached statistics			
* Source: major food & dept. store analysts			
Average per capita sales tax on food, 2003			
			\$92.48